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**Introduced by Senator Machado**

February 21, 2003

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An act to amend Section 47003 of, and to add Section 47002.5 to, the Food and Agricultural Code, relating to farmers' markets.

LEGISLATIVE COUNSEL'S DIGEST

SB 934, as introduced, Machado. Farmers' markets: nonprofit agricultural cooperatives.

Existing law generally regulates farmers' markets.

This bill would, in addition, authorize farmers who are producer members of nonprofit agricultural cooperatives to transport California-grown fresh fruits and vegetables to a retail outlet operated by the nonprofit agricultural cooperative, as specified.

Existing law authorizes the Secretary of Food and Agriculture to establish qualifications for persons selling products directly to consumers, as specified, including certified farmers' markets and producers' sales outlets, at or near the location of production.

This bill would, in addition, extend the secretary's authority in that regard to retail outlets operated by nonprofit agricultural cooperatives, as specified.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 47002.5 is added to the Food and
- 2 Agricultural Code, to read:
- 3 47002.5. California farmers may transport for resale
- 4 California-grown fresh fruits and vegetables that they produce in

1 California, to a retail outlet operated by a nonprofit agricultural  
2 cooperative on behalf of its members, if those farmers are producer  
3 members. The produce shall be exempt from size, standard pack,  
4 container, and labeling requirements, subject to the following  
5 conditions:

6 (a) The nonprofit agricultural cooperative is subject to or is  
7 functioning under the provisions of Chapter 1 (commencing with  
8 Section 54001) of Division 20.

9 (b) The nonprofit agricultural cooperative and its employees  
10 are authorized to sell its members' produce directly to the public  
11 on behalf of those producer members.

12 (c) The retail outlet is located within the State of California.

13 (d) All fresh fruits and vegetables sold shall comply with the  
14 California Code of Regulations governing maturity and quality.

15 (e) No exemption granted by this section supersedes the  
16 provisions of federal marketing orders, state marketing orders, or  
17 any health and safety laws, regulations, or ordinances.

18 (f) Nothing in this section shall be construed to supercede or  
19 abridge the terms or conditions of any marketing agreement  
20 between any agricultural cooperative and its member producers,  
21 including compliance with contractual terms specifying the  
22 orderly delivery and distribution of the members' product.

23 SEC. 2. Section 47003 of the Food and Agricultural Code is  
24 amended to read:

25 47003. The secretary may establish qualifications for persons  
26 selling products directly to consumers whenever the sales involve  
27 the use of any exemption granted by this chapter. Certified  
28 farmers' markets, *retail outlets operated by nonprofit agricultural*  
29 *cooperatives under the provisions of Section 47002.5*, and  
30 producers' sales outlets, at or near the location of production, may  
31 likewise be subject to qualifications.